Focusing for Improvement

The Health Quality Council is still a relatively young organization: We celebrated our 5th anniversary in November. As we mature, we increasingly see our role as one of helping accelerate improvement in Saskatchewan's health care system, through ongoing measurement and reporting on quality, and by facilitating deeper, more focused learning about quality improvement.

HEALTH QUALITY COUNCIL

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THE HEALTH QUALITY COUNCIL (HQC) IS AN INDEPENDENT AGENCY THAT MEASURES AND REPORTS ON QUALITY OF CARE IN SASKATCHEWAN, PROMOTES IMPROVEMENT, AND ENGAGES ITS PARTNERS IN BUILDING A BETTER HEALTH SYSTEM.

OUR VISION:

OUR MISSION:

OUR DEFINITION OF QUALITY:

OUR WORK IS GUIDED BY FOUR PRINCIPLES:

For more information on HQC activities, please visit our web site: www.hqc.sk.ca.

Letter of Transmittal

The Honourable Don McMorris
Minister of Health
Room 302, Legislative Building
Regina, Saskatchewan
S4S 0B3

Dear Mr. McMorris:

I am pleased to submit the annual report for the Health Quality Council. This report for 2007 – 2008 fiscal year is submitted in accordance with the requirements of *The Health Quality Council Act* and *The Tabling of Documents Act*.

Dan Florizone
Board Chair
Health Quality Council



Message from the **Board Chair**

This has been a formative year for the Health Quality Council. We are steadfast in our vision – helping ensure Saskatchewan residents receive the highest quality of health care – and in the last year, our view of how this will be achieved has become increasingly clear. In our strategic plan released in June, we describe how we will move from a broader approach to a more focused, intensive strategy to bring about sustainable, system-wide improvements in health care quality.

In our early years, we connected with as many people as possible to get the word out about quality improvement. We produced 14 reports on the quality of care, leading to pockets of improvement activities and excellence in parts of the province. I have no doubt that this "wide angle" approach was needed and valuable. However, as the National Health Service in Britain and other high performing systems elsewhere have recognized, the next big gains in quality improvement will come from large-scale, fundamental changes to the system that will allow providers to do their very best for every patient, all the time.

We will achieve this in Saskatchewan, in part, through our new program, Accelerating Excellence. We were very pleased when the provincial government announced $5M in funding for this initiative in March, 2008. Accelerating Excellence will emulate the essential elements of high performing systems such as Kaiser Permanente in the US, Jönköping in Sweden, and others. We will work intensively with a few health regions or organizations to equip people working at all levels – from board members to front-line care providers – with the skills and time to redesign care processes to prevent inappropriate and unsafe care, increase efficiency and effectiveness, and improve access to services. It is also about creating a culture in which health care providers feel empowered to make changes that will improve patient care and their working environment.

We are focusing for improvement in other aspects of our work as well.

- Hundreds of people have attended our introductory level quality improvement courses such as Teams and Leaders in Quality Improvement Training and in the last year, we added two in-depth quality improvement training programs: Clinical Practice Redesign School and Quality Improvement Consultant School. Participants will leave these programs with the expertise to facilitate changes that will improve access to services and the quality of care;
- Plans are underway for the launch of a second Chronic Disease Management Collaborative, this one focused on improving care for people who live with Chronic Obstructive Pulmonary Disease or depression; and,
- We are working closely with our health system partners to ensure that our new quality measurement and reporting program, Quality Insight, will provide leaders, managers, and front-line workers with information for learning and improvement.

Our new strategic plan was developed under the leadership of our inaugural CEO, Dr. Ben Chan, who returned to his home province in July to head up the Ontario Health Quality Council. Bonnie Brossart, who has been with HQC since 2003 and served as interim CEO for six months, was appointed as CEO in December. I am confident that Bonnie can lead the Council as we move forward with our ambitious plan for accelerating improvement in Saskatchewan.

The past year was an important one for the Health Quality Council. Consultation with our health system partners during our strategic planning process, and what we are learning from high-performing systems elsewhere, has confirmed for us that more focused, intensive quality improvement strategies will create a system that delivers the highest quality of care to our citizens, all of the time.

Dan Florizone
Board Chair



Message from the CEO

Our strategic plan for 2007-2010 is about accelerating improvement throughout Saskatchewan's health care system. This increasing clarity of our role in the health care system has emerged from our reflection on where we've been, our consultative strategic planning process, evidence of persisting gaps in quality, and seeing what has been achieved in high-performing systems elsewhere.

In the past year, we took a number of steps to begin implementing the new strategic plan.

Our largest new initiative by far is Accelerating Excellence. This targeted quality improvement (QI) program will see us working intensively with a few health regions or organizations to: build QI capacity in people at all levels of the system; implement programs to improve quality in specific areas of care; and, ensure supportive policies and the development of measurement and reporting systems that will assist improvement efforts. Funding in the amount of $5M from the Government of Saskatchewan, announced in March 2008, will provide the resources necessary for participating regions or organizations to succeed in this ambitious endeavour. In the coming year, we will invite applications for the program from regions and health care organizations. Accelerating Excellence is not for the faint of heart! It is about fundamentally changing the way health care is delivered in Saskatchewan. This move away from the status quo will require hard work, determination, enthusiasm, and a vision of better, safer care and an improved working environment for providers.

We focused a significant amount of energy in 2007 on creating a new, ongoing measurement and reporting program, called Quality Insight, and that work continues. We consulted with our health system partners to obtain feedback on our ideas for the new program and these consultations will continue indefinitely to ensure the program meets the needs of those who will be using the data to improve care. The Quality Insight program will track a number of quality indicators over time, and data will be presented in a way that makes it useful for learning and improvement. In fall 2008, we will release the first annual Quality Insight report in which we will provide updates on many of the quality indicators we have reported on in discrete reports we've issued since 2002.

Throughout this past year, we continued our dialogue with health care system stakeholders on public reporting on the quality of care. We released a paper that outlines our principles on public reporting in February 2008, and are currently planning a conference on transparency in health care, aimed at Saskatchewan health care system stakeholders, to be held in June 2008.

Building capacity for quality improvement among health care providers, managers, and leaders continues to be a mainstay of our work. In the past year, we continued to offer several introductory level quality improvement courses and have added two more focused learning opportunities: Quality Improvement Consultant School and Clinical Practice Redesign School.

Our focus on chronic disease management continues. As the Chronic Disease Management (CDM) Collaborative that concentrated on diabetes and heart disease winds down, plans are underway for a second Collaborative aimed at improving care for people with Chronic Obstructive Pulmonary Disease, depression, and access to primary care.

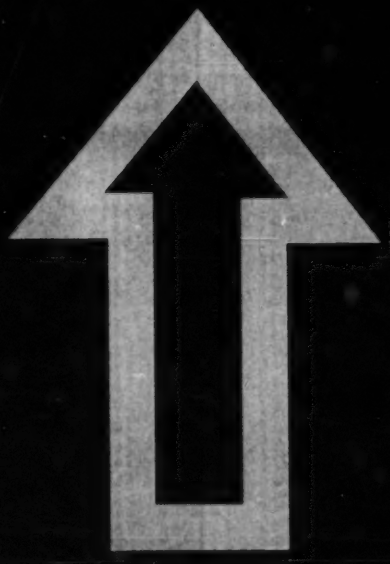
We were proud to be recognized both near and far, for our innovation and leadership in improving the quality of health care in Saskatchewan. The Saskatchewan 'Right to Know' committee presented HQC with the Chief Justice E.M. Culliton Right to Know award in recognition of our work in promoting transparency. At the Global Perspectives on Chronic Disease conference in Calgary, we received an Organizational Leadership Award for our coordination of the Saskatchewan CDM Collaborative. We share this award with all CDM Collaborative participants across the province whose creativity and hard work improved care for people living with diabetes and heart disease. And, as described elsewhere in this report, HQC researchers won the award for best oral presentation at the Academy for Healthcare Improvement's International Scientific Symposium in Orlando.

I can assure you that we won't rest on our laurels. We, in concert with our health system partners, have a lot of hard work ahead as we focus for improvement. However, I believe we also have much to look forward to, as this approach has the potential for achieving significant gains in the quality of care in our province.

Bonnie Brossart
Chief Executive Officer

4

Focusing for Improvement



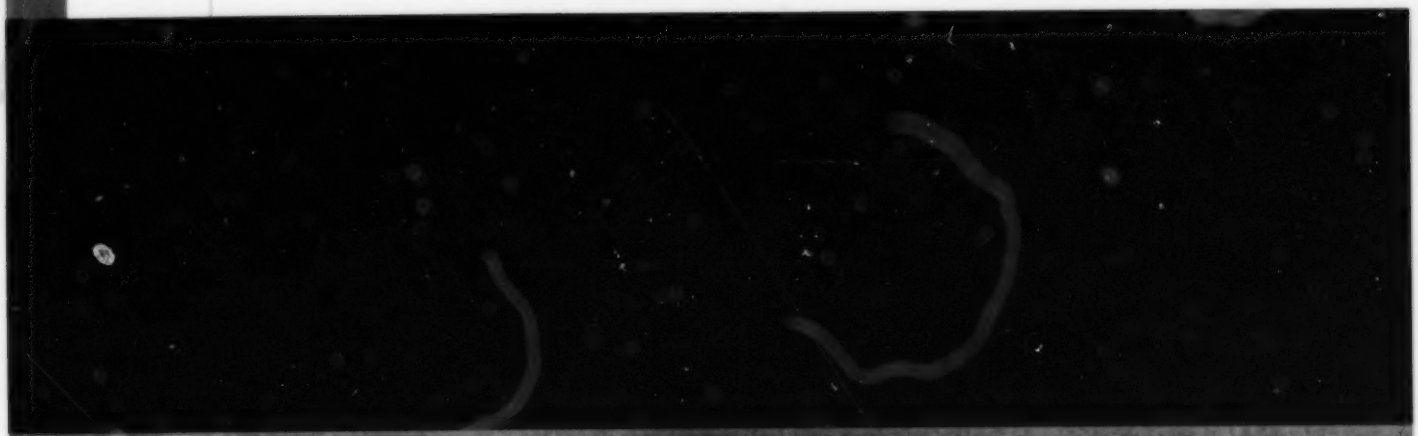
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In our 2007-10 strategic plan, released in June, we outline five key strategies for achieving system-wide improvement:

- Building capacity and leadership to improve and sustain quality;
- Measuring and reporting on quality;
- Spreading and sustaining effective practices;
- Engaging with patients, public, and providers; and,
- Informing policy.

The following sections provide an overview of our activities in each of these important areas.

6



Focusing Capacity Building

CAPACITY BUILDING

Accelerating Excellence

Quality improvement efforts to date have brought better care for many Saskatchewan residents. Despite these changes and increases in health expenditures, gaps in quality persist.

Ensuring appropriate and safe care, increased efficiency and effectiveness, and improved access to services across our large province will require a fundamental change in the way we deliver care. This can only be achieved by taking a more focused, strategic approach to quality improvement. On March 4, 2008 the Government of Saskatchewan announced its support for this idea by providing $5 million to the Health Quality Council for a new initiative called Accelerating Excellence. It will see us working intensively with a select number of health organizations to transform the way they organize and deliver care. The lessons learned in this initial group will then be spread to other parts of the system.

Chronic Disease Management Collaborative

Thousands of Saskatchewan people living with diabetes and coronary artery disease (CAD) are receiving better care and experiencing better health outcomes since the launch of the Chronic Disease Management (CDM) Collaborative in November 2005.

The CDM Collaborative is Saskatchewan's largest quality improvement initiative to date. It involves approximately 15,000 people living with diabetes and CAD, all 13 regional health authorities, more than 25% of all family physicians, and hundreds of other health care workers, such as nurse practitioners, nurses, educators, pharmacists, dietitians, and First Nations and Métis groups. Together they are improving diabetes and CAD care, and using clinical practice redesign (CPR) to improve access to family physician visits.

Although Wave One of the Collaborative is officially completed, participants will continue to have access to the CDM Toolkit to manage care for their patients with chronic diseases. Similarly, while Wave Two participants have finished their learning workshops, they will continue to submit data on the Collaborative's key measures for another year.

Work is already well underway for a second chronic disease Collaborative, this one focused on improving the quality of care for people living with chronic obstructive pulmonary disease (COPD) and depression. The Collaborative will also equip clinicians with strategies for reorganizing their practices to make the workload more manageable and increase patient satisfaction.

Patient-Centred Discharge Modified Collaborative

The initial round of our Patient Experience Survey, conducted in 2004-05, identified provider-patient communications and discharge planning as two areas where the system could improve. In response to these findings, we initiated the Patient-Centred Discharge Modified Collaborative. Between March 2007 and February 2008, quality improvement (QI) teams in five health regions received QI training, mentoring, and support aimed at improving patient flow and patient communication/education in the discharge process.

Participating teams tested and implemented such changes as working with physicians to identify patients' estimated date of discharge (EDD) at the time of admission, installing whiteboards in patient rooms to communicate the EDD and to give patients and family members a place to post questions about care, and multidisciplinary discharge checklists and multidisciplinary rounds.

Teams will build these improvements into their regular routines, test other changes, and spread successes to neighbouring units within their facilities.

Improving patient flow from Emergency Department to Ward 6200 at Royal University Hospital

Data collected in Saskatoon's Royal University Hospital between December 2007 and March 2008 showed that patients admitted after visiting the emergency department (ED) wait an average of 15.2 hours from the time a decision is made to admit them until they are actually in an inpatient bed.

We partnered with Saskatoon Health Region to reduce this delay, using Lean

The CDM Collaborative is among the largest improvement projects in Canada, and is Saskatchewan's largest quality improvement initiative to date. It involves approximately 15,000 people living with diabetes and CAD, all 13 regional health authorities in Saskatchewan, more than 25% of all family physicians, and hundreds of other health care workers, such as nurse practitioners, nurses, educators, pharmacists, dietitians, and First Nations and Métis groups. Together they are improving diabetes and CAD care, and using clinical practice redesign (CPR) to improve access to family physician visits.

methods and techniques. Lean is an approach to continuous improvement that identifies and eliminates sources of waste (e.g., waiting, unnecessary patient movement, redundant processing) in systems and improves processes to free-up time and resources. This project had financial support from the Canadian Institutes of Health Research and the Saskatchewan Ministry of Health's Technical Efficiency Program.

In November 2007 a quality improvement team – comprising staff from the ED, Ward 6200, environmental services, quality services, representatives from the Acute Care Access Line, and HQC – mapped out the sequence of activities that occur between "decision to admit" and "arrive in hospital bed."

Since then, the team has implemented several small tests of change to improve the flow of the patient between these two points of care. For example, the team created a new form for obtaining information by phone on the status of a patient coming from the emergency department to 6200. This may save time since it will help staff to anticipate what the incoming patient will need upon arrival.

Early results suggest that new processes are helping to reduce the time from the decision to admit a patient until they occupy a bed on a ward.

Improving breast cancer care

Our October 2006 report on breast cancer care in Saskatchewan showed that, on average, it takes four months from clinical detection of an abnormality until a woman begins treatment. For the last year and a half, two quality improvement teams – one in Saskatoon Health Region and the other in Prince Albert Parkland – have been working to reduce times for specific aspects of breast cancer care.

The Saskatoon team includes breast cancer survivors, radiologists, medical imaging staff, representatives of the Breast Health Centre and Saskatchewan Cancer Agency Breast Cancer Screening Program, surgeons, family physicians, and an HQC QI Consultant. It tested a number of changes aimed at reducing the time from finding an abnormality to diagnosis. The team implemented a fast-track referral process which, in conjunction with the Saskatchewan Cancer Agency's new Client Navigator Program, shortened by 40% the time between screening and diagnostic imaging (DI) for women who go through screening.

The team's second aim was to reduce by half the time from DI to when women undergo a biopsy at the Irene and Les Dubé Centre of Care in Saskatoon. They are currently testing the idea of a "Rapid Assessment" centre within the Centre, which would more efficiently provide consultations and tests, in an effort to ensure prompt diagnosis and treatment for those with cancer and quickly reassure those without.

The Prince Albert Parkland team is working to reduce the time from DI to biopsy at the Irene and Les Dubé Centre of Care (in Saskatoon) for all women with mammograms showing suspicious lesions. This group is evaluating the effectiveness of a clinical decision support tool (algorithm) before trying other small tests of change.

These improvements in specific parts of the care journey could help reduce the overall time for breast cancer care. Using data from the Saskatchewan Cancer Agency, hospital visits and medical services, we will provide annual updates on wait times in HQC's new Quality Insight report.

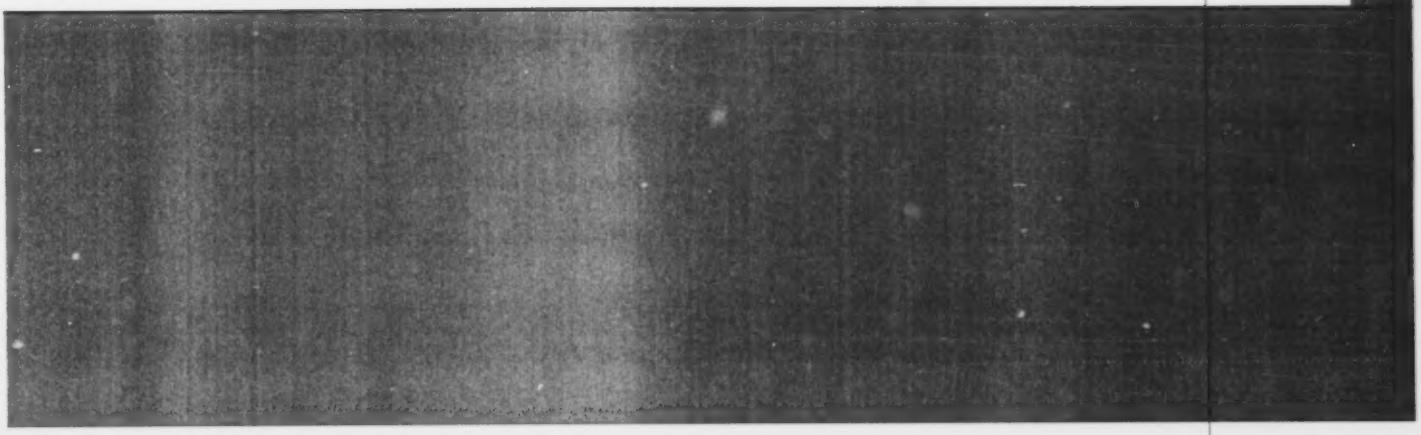
Quality improvement training

Building capacity and leadership to improve and sustain quality, at all levels of the health system, is a key part of our strategic plan.

We continue to deliver our TLQIT (Teams and Leaders in Quality Improvement Training) and Measurement for Improvement workshops, to introduce the fundamentals of quality improvement science, and our Coach Approach workshop, for those managers and providers who lead quality improvement teams. In the last year, we also launched two new in-depth programs in QI science: Quality Improvement Consultant School and Clinical Practice Redesign School.

Quality Improvement Consultant (QIC) School

Twelve people are currently enrolled in QIC School, which is inspired by the Institute for Healthcare Improvement's (IHI) Improvement Advisor Program. Our year-long program equips participants with expertise to nurture and support



improvement initiatives in complex health care environments. Participants immediately apply the skills and methods learned to an improvement project for which they are responsible.
The school faculty comprises HQC staff as well as external experts such as **Bob Lloyd**, IHI's Executive Director of Performance Improvement, **Tanis Rollefstad**, Safety and Improvement Advisor - Western Node, Safer Healthcare Now! and others.

Clinical Practice Redesign (CPR) School
Twenty-nine registrants – including clinicians, office managers, and CDM Collaborative Facilitators – will begin Clinical Practice Redesign School in April 2008. The Saskatchewan Medical Association and the Ministry of Health provided funding for a representative from 10 physician practices to participate. CPR School will show participants how to assess the demand for appointments in their clinical practice, identify capacity, and then make changes to create a more predictable work pace, which will in turn improve patient, staff, and physician satisfaction. Participants in CPR School will attend webinars and workshops over eight months, and apply what they are learning between sessions.

Catherine Tantau, an internationally recognized authority on access, efficiency, and flow systems in health care, is the Expert Adviser to the CPR program. Other advisers include **Doug Stich**, Program Director for Alberta's *Toward Optimized Practice* program, and **Drs. Mark Ogrady** and **Kishore Visvanathan**, two specialist physicians in Saskatchewan who have applied CPR principles to their practices. Advisers also include several HQC staff members.

Academic Initiatives Program
We are working with the University of Saskatchewan, University of Regina, and the Saskatchewan Institute of Applied Science and Technology to ensure that the health care workforce of the future has the tools and methods to make quality improvement an integral part of practice and service delivery.

With our partners, we have developed and delivered curriculum – often with an inter-professional focus – for a number of undergraduate programs, including Health Studies, Medicine, Nursing Education Program of Saskatchewan, Nutrition, Pharmacy, and Physical Therapy. HQC has also worked with post-graduate students from the Masters of Public Health and Family Medicine Residency programs.

Faculty development is key to this initiative. In the past year, we delivered three Faculty Institutes to provide background and training in QI.

To ensure supportive policies are in place to encourage sustained curriculum development in QI, we are building an inventory of health science competencies and curriculum and accreditation standards. This inventory will help us understand where QI-related competencies are already being addressed and where there are gaps. We can then work with our partners to ensure we align our work with existing standards and help support the development of new standards where necessary.

Building capacity among leaders
In February 2008, HQC presented a session to board members of all 13 health regions and the Saskatchewan Cancer Agency on how to exercise their oversight role to support quality and safety in health care.

IHI broadcast
In December, we were again involved in the satellite broadcast of IHI's National Forum on Quality Improvement in Healthcare. Eleventh-hour challenges in a planned pan-Canadian broadcast precluded us from leading the traditional province-wide broadcast. However, we provided some support to the handful of Saskatchewan regions that elected to host the program on their own.

Organizational employee development
The Health Quality Council aims to build QI capacity among its staff and to that end, we provided several development opportunities this year:

- Three QI Consultants are currently enrolled in QIC School;
- Two staff completed the Institute for Healthcare Improvement's (IHI) Improvement Advisor program in previous years and another employee will begin the program in June 2008;
- **Bob Lloyd**, IHI's Executive Director of Performance Improvement, presented a session to all staff called *Better quality through better measurement* when he was in Saskatoon to deliver similar sessions at QIC School; and,
- We hold regular one-hour continuing education sessions featuring guest speakers on a variety of topics.

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Focusing Measurement and Reporting

MEASURING AND REPORTING ON QUALITY

Quality Insight

Over the past five years, we have produced reports on a variety of topics, ranging from post-heart attack care to drug management in long-term care. This approach to reporting has provided valuable "snapshots" of the quality of care in this province and has led to several improvement initiatives. However, quality improvement is a continuous commitment that requires ongoing measurement to guide and inform the process over time. We are working with our health system partners to build a measurement and reporting program – called Quality Insight – that will provide leaders, managers, front-line providers, patients, and citizens with a comprehensive picture of the state of health care quality in Saskatchewan. It will show how we're doing, the impact of improvement efforts, and where there is still work to do.

In October 2008 we will release our first annual Quality Insight report; it will show changes in quality over time for care areas previously reported on by the HQC, including

- diabetes care;
- asthma care;
- post-heart attack care;
- patient experiences in acute care hospitals;
- drug management among long-term care residents and community-dwelling seniors; and,
- breast cancer care.

The printed report will primarily focus on province-wide results, with more detailed data, such as region-specific information, available on our web site. Stakeholder feedback on the inaugural edition will help shape the future of the Quality Insight measurement and reporting program and its products.

Quality of surgical care in Saskatchewan

We released a report in September 2007 showing that, for the procedures we studied, Saskatchewan patients are receiving surgical care that is generally comparable in quality to that provided elsewhere in Canada.

HQC looked at eight complex surgeries performed only in Saskatoon and Regina hospitals: coronary artery bypass graft; percutaneous coronary intervention; ruptured and unruptured abdominal aortic aneurysm repair; carotid endarterectomy; and cancer resections (esophageal, pancreatic, and hepatic cancer resections). We found most hospitals and surgeons are doing sufficient numbers of these procedures to ensure safe, high-quality care and that, in most cases, patient outcomes (as measured by mortality, or death, rates) are in line with benchmark figures from elsewhere in Canada and abroad. The medical literature shows that, for some surgeries – including those we studied – patients operated on in hospitals or by surgeons who do more of that procedure have better outcomes.

Although we identified some instances where individual hospitals or surgeons are not doing as many procedures as research evidence suggests they should be, better data must be collected locally to understand the implications for patient outcomes. HQC shared detailed results with health care planners and providers for them to consider, alongside their own information, in the planning and delivery of surgical services.

Patient Experience Survey

On any given day in Saskatchewan, approximately 1,900 people receive care in a hospital. *How* patients are treated *as people* is an important dimension of care. A patient can receive care that is technically perfect, but still feel that he or she had a less-than-positive experience. Saskatchewan's Patient Experience Survey provides patients discharged from hospital with an opportunity to share their views about the care they received. The Health Quality Council works closely with the health regions and a survey company called NRC Picker Canada to administer the survey.

Results from the first round of surveying, conducted between September 2004 and March 2005 showed the majority of patients were satisfied with their care. The greatest opportunities for improvement were related to provider-patient communications, particularly around discharge planning. In response to these results, HQC initiated the Patient-Centred Discharge Modified Collaborative (*for more information, see the Capacity Building section of this report*).

As result of strong support from health regions, *continuous* surveying began in

There are many steps involved in analyzing data for new reports or for updates on aspects of care we have reported on previously. This year, we reduced the time – from up to four weeks to only three days – to analyze a set of data, while enhancing our ability to ensure the accuracy of our results. We were able to achieve this primarily by thoroughly documenting our data analysis processes, and by continuing to standardize our data handling and analysis processes. This improvement will be particularly useful since the amount and types of data we have been able to acquire have increased, and it will streamline production of the new annual Quality Insight report.

February 2007 and will continue indefinitely. Each quarter, we provide regions with overall provincial results as well as their individual RHA results for all survey questions. Where sample sizes are sufficient, we also provide hospital-specific results. This information is intended to help regions identify specific areas where they can improve patients' experiences with care and to track the impact of their improvement efforts.

In consultation with the regions, we began the transition from NRC Picker's proprietary survey tool to the internationally recognized Hospital Consumer Assessment of Health Plans Survey (HCAHPS), which is available at no charge in the public domain. Hospital accreditation will be streamlined, thanks to fruitful discussions between HQC and Accreditation Canada (formerly the Canadian Council on Health Services Accreditation, or CCHSA). Accreditation Canada certified our project's survey data as meeting the data collection requirements of the Positive Client Experience standards in their new health services accreditation program called *Qmentum*.

Process improvement in data analysis at HQC

There are many steps involved in analyzing data for new reports or for updates on aspects of care we have reported on previously. This year, we reduced the time – from up to four weeks to only three days – to analyze a set of data, while enhancing our ability to ensure the accuracy of our results. We were able to achieve this primarily by thoroughly documenting our data analysis processes, and by continuing to standardize our data handling and analysis processes. This improvement will be particularly useful since the amount and types of data we have been able to acquire have increased, and it will streamline production of the new annual Quality Insight report.



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Focusing on Spreading and Sustaining Effective Practices



SPREADING AND SUSTAINING EFFECTIVE PRACTICES

We continually strive to narrow the gap between optimal and actual health care delivery. We do this by sharing evidence-based concepts and ideas with improvement teams, coordinating activities using proven quality improvement methods (e.g., Learning Collaboratives and Modified Collaboratives), adapting strategies that were effective elsewhere for use in the Saskatchewan context, and facilitating the spread of successful initiatives.

Whenever possible, we work with other agencies toward our mutual goal of improving patient care. We are delighted, for example, that Accreditation Canada will be able to use data collected by health regions for HQC's Patient Experience Survey for the client experience component of its new *Qmentum* program; one survey will meet several quality improvement objectives.

Originally created in BC for the BC Ministry of Health, the Chronic Disease Management (CDM) Toolkit is a web-based patient registry that is helping practices participating in the Saskatchewan CDM Collaborative track important information such as A1C levels, blood pressure, cholesterol levels, weight, smoking status, use of recommended medications, and lab results for their patients with diabetes, heart disease, or both. The CDM Toolkit enables practices to produce run charts for key measures and bar charts that compare their results with those of other practices; the registry can also generate recall reports that identify patients who are overdue for specific procedures and interventions. HQC worked closely with the Saskatchewan Ministry of Health to implement the CDM Toolkit in this province and we are now collaborating with the Ministry to make the CDM Toolkit accessible to all health care providers and designated clinic staff in the province. We have begun piloting a set of training sessions for new users.

Over the past year, our staff presented on quality improvement methods and project results at several national and international health care conferences. HQC researchers received the award for best oral presentation at the Academy for Healthcare Improvement's International Scientific Symposium, held in conjunction with December's annual National Forum on Quality Improvement. As part of this recognition, the British Medical Journal's *Quality and Safety in Health Care* journal, has commissioned an article about our work.

In April the Canadian Medical Association Journal published a research article describing new asthma care quality indicators developed at the Health Quality Council.

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Focusing Engaging with Patients, Public, and Providers

ENGAGING WITH PATIENTS, PUBLIC, AND PROVIDERS

One of our guiding principles is that partnerships with stakeholders are essential. Over the last year, we met regularly with professional associations, regional health authority boards and CEOs, and government to discuss how we can best work together to achieve our mutual goal of improving health care quality. Members of the general public are invited to provide feedback on specific initiatives, and we encourage their participation in our annual public meeting.

We are consulting broadly with those who work in the health system to ensure that our new measurement and reporting program, Quality Insight, is helpful in monitoring and improving quality of care. Our public meeting on March 25, 2008 officially kicked off this consultation.

HQC facilitates the sharing of ideas and experiences through the province's Quality Improvement Network, which involves leaders from health regions and the Saskatchewan Cancer Agency who are actively involved in improvement work.

In April 2007, we sponsored a keynote address and concurrent session by **Dr. James Reinertsen**, at the Saskatchewan Association of Health Organizations annual conference. Reinertsen, who directs leadership development activities at the Institute for Healthcare Improvement, told SAHO delegates that boards play a critical role in ensuring health care leaders focus their attention on improvements that prevent needless deaths, improve patient care and staff satisfaction, and help the financial bottom line.

We continue to involve our stakeholders in activities aimed at advancing the dialogue on transparency in health care:

- In February 2008 we released a paper that outlines our principles on public reporting. We advocate disseminating information about health care quality in a manner that helps providers and decision-makers better manage and deliver care, and equips members of the public to fulfill their roles as citizens and health care users;
- We reviewed the latest research evidence on effective strategies and promising practices in public reporting as part of a project commissioned by the Canadian Health Services Research Foundation (CHSRF) and the Ontario Health Quality Council. The final report, *Public Reporting on the Quality of Healthcare: Emerging Evidence on Promising Practices for Effective Reporting* is available on our web site (www.hqc.sk.ca); and,
- We are hosting a one-day conference in June 2008 that will feature presentations from the architects of leading reporting initiatives in Canada and the US. Speakers will describe what they did and how, lessons learned, and the impact on learning and improvement.

We also communicate with our stakeholders through our quarterly newsletter, *QReview*; our bi-weekly email digest, *Health Clips*; our *What's New* email alert; a regular Quality Improvement Network e-letter; project-related Learning, Innovating, Networking, Knowing, Sharing (LINKS) updates; and our web site. A blog by Saskatoon urologist Kishore Visvanathan has become one of the most popular features on our site. Through *Adventures in Improving Access*, Dr. Visvanathan shares the experiences of he and his colleagues as they use office redesign strategies to reduce wait time for appointments in their group urology practice.



Focusing Informing Policy

Policy can play an important role in improving quality of health care. While HQC does not *develop* policy, we have since 2002 worked to implicitly *support* decision-making through our reports on health system performance and our efforts to promote greater transparency in health care. Our new strategic plan, based on the Council's December 2006 consultation with stakeholders, states clearly that *Informing* policy is one of our core lines of business. Our health system partners affirmed that, as an independent agency, HQC is well positioned to identify instances where new policies could facilitate change and conversely where policy may be standing in the way of improving care. As set out in our legislation, we may also be called upon to analyze specific policies by the Ministry of Health. We fully expect that the new Accelerating Excellence program will highlight examples of how high-performing health systems elsewhere have leveraged sound public policy to improve care for patients.

Board of **Directors**



Dan Fiorzoni
(Chair)



Marlene Smadu
(Vice-Chair)



Ross Bauer



Peter Barrett



Charlyn Black



Daniel Fox



Eber Hampton



Cecile Hunt



Dennis Kimbro



Steven Lewis



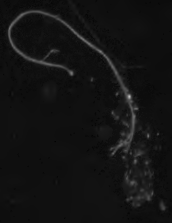
Yvonne Shevchuk

Health Quality **Council** Staff



For the year ended March 31, 2008

Financial Statements





Report of Management

Management is responsible for the integrity of the financial information reported by the Health Quality Council (HQC). Fulfilling this responsibility requires the preparation and presentation of financial statements and other financial information in accordance with Canadian generally accepted accounting principles that are consistently applied, with any exceptions specifically described in the financial statements.

The accounting system used by the HQC includes an appropriate system of internal controls to provide reasonable assurance that:

- transactions are authorized;
- the assets of the HQC are protected from loss and unauthorized use; and,
- the accounts are properly kept and financial reports are properly monitored to ensure reliable information is provided for preparation of financial statements and other financial information.

To ensure management meets its responsibilities for financial reporting and internal control, board members of the HQC discuss audit and financial reporting matters with representatives of management at regular meetings. HQC Board members have also reviewed and approved the financial statements with representatives of management.

The Provincial Auditor of Saskatchewan has audited the HQC's statement of financial position, statement of operations, statement of change in net assets, and statement of cash flows. His responsibility is to express an opinion on the fairness of management's financial statements. The Auditor's report outlines the scope of his audit and his opinion.

Dan Florizone
Board Chair

Bonnie Brossart
Chief Executive Officer

Saskatoon, Saskatchewan
May 12, 2008

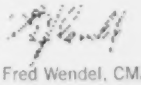
Auditor's Report

To the Members of the Legislative Assembly of Saskatchewan

I have audited the statement of financial position of the Health Quality Council as at March 31, 2008 and the statements of operations, change in net assets, and cash flows for the year then ended. The Council's management is responsible for preparing these financial statements for Treasury Board's approval. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Health Quality Council as at March 31, 2008 and the results of its operations and its cash flow for the year then ended in accordance with Canadian generally accepted accounting principles.



Regina, Saskatchewan
May 12, 2008

Fred Wendel, CMA, CA
Provincial Auditor

Statement of Financial Position

STATEMENT 1
HEALTH QUALITY COUNCIL

As at March 31	2008 (000's)	2007 (000's)
Financial assets		
Cash	$ 6,135	$ 718
Accounts receivable		
- Saskatchewan Health - General Revenue Fund	-	500
- Other	82	44
Accrued interest receivable	9	15
Short-term investments (Note 3)	2,445	1,996
	8,671	3,273
Liabilities		
Accounts payable	220	669
Payroll liabilities	154	135
Deferred revenue (Note 5)	5,915	866
	6,289	1,670
Net financial assets	2,382	1,603
Non-financial assets		
Tangible capital assets (Note 2c & Note 4)	88	93
Prepaid expenses and deposits	45	25
	133	118
Accumulated surplus	$ 2,515	$ 1,721

Contractual commitments (Note 11)

(See accompanying notes to the financial statements)

Statement of Operations

STATEMENT 2
HEALTH QUALITY COUNCIL

For the year ended March 31	2008 Budget (Note 9) (000's)	2008 Actual (000's)	2007 Actual (000's)
Revenue:			
Saskatchewan Health			
- General Revenue Fund	$ 5,150	$ 5,150	$ 5,000
- Technical Efficiency (Note 5a)	-	227	418
Interest	-	103	119
Other (Note 6)	-	99	90
Conference	-	79	15
Safer Healthcare Now! (Note 5d)	-	50	-
	5,150	5,708	5,642
Expenses:			
Project funding	2,031	968	1,538
Grants	45	221	582
Wages and benefits	3,058	2,988	2,951
Travel	247	145	190
Administrative and operating expenses	415	232	468
Honoraria and expenses of the board	132	116	130
Amortization expense	100	43	93
Rent	180	201	250
	6,208	4,914	6,202
Annual surplus (deficit)	$ (1,058)	794	(560)
Accumulated surplus, beginning of year		1,721	2,281
Accumulated surplus, end of year		$ 2,515	$ 1,721

(See accompanying notes to the financial statements)

Statement of Change in Net Assets

STATEMENT 3
HEALTH QUALITY COUNCIL

For the year ended March 31	**2008**	**2007**
	(000's)	(000's)
Annual surplus (deficit)	$ 794	$ (560)
Acquisition of tangible capital assets	(38)	(36)
Amortization of tangible capital assets	43	93
	5	57
Acquisition of prepaid expenses	(45)	(25)
Use of prepaid expenses	25	11
	(20)	(14)
Increase (decrease) in net financial assets	779	(517)
Net financial assets, beginning of year	1,603	2,120
Net financial assets, end of year	$ 2,382	$ 1,603

(See accompanying notes to the financial statements)

Statement of Cash Flows

STATEMENT 4
HEALTH QUALITY COUNCIL

For the year ended March 31	**2008**	**2007**
	(000's)	(000's)
Operating activities:		
Cash received from:		
Saskatchewan Health - General Revenue Fund	$ 10,650	$ 5,000
Saskatchewan Medical Association	200	-
Interest	130	133
Safer Healthcare Now!	104	-
Conference	83	15
Other	42	90
	11,209	5,238
Cash paid for:		
Wages and benefits	2,964	2,946
Supplies and other	952	1,946
Project funding	1,209	1,155
Grants	162	582
	5,287	6,629
Cash used in operating activities	5,922	(1,391)
Capital activities:		
Purchases of tangible capital assets	(57)	(17)
Cash used in capital activities	(57)	(17)
Investing activities:		
Purchase of investments	(6,914)	(7,210)
Disposal of investments	6,466	7,396
Cash provided by investing activities	(448)	186
Increase (decrease) in cash	5,417	(1,222)
Cash, beginning of year	718	1,940
Cash, end of year	$ 6,135	$ 718

(See accompanying notes to the financial statements)

Notes to the Financial Statements

HEALTH QUALITY COUNCIL
March 31, 2008

1. Establishment of the Council

The *Health Quality Council Act* was given royal assent July 10, 2002 and proclaimed on November 22, 2002. The Health Quality Council (HQC) measures and reports on the quality of care in Saskatchewan, promotes improvement, and engages its partners in building a better health system. The HQC commenced operations on January 1, 2003.

2. Accounting Policies

The HQC uses Canadian generally accepted accounting principles recommended by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants. The following accounting principles are considered to be significant:

a) Operations

For the operations of the HQC, the primary revenue is contributions from the Saskatchewan Ministry of Health (Ministry of Health) - General Revenue Fund. Other sources of revenue include conference registrations, interest and miscellaneous revenue. Unrestricted contributions are recognized as revenue in the year received or receivable if the amount can be reasonably estimated and collection is reasonably assured.

Restricted contributions are deferred and recognized as revenue in the year which related expenses are incurred.

b) Measurement Uncertainty

The preparation of financial statements in accordance with PSAB accounting principles requires the HQC's management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of commitments at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

c) Tangible Capital Assets

Tangible capital assets are reported at cost less accumulated amortization. Purchases valued at $250 or greater are recorded as a capital asset. Leasehold improvements are amortized over the length of the lease; the current lease expires in July 2012. Amortization is recorded on a straight-line basis at rates based on estimated useful lives of the tangible capital assets as follows:

Office Furniture	10 years
Office Equipment	5 years
Computer Hardware	3 years
Computer Software	3 years
Leasehold Improvements	4 years

Normal maintenance and repairs are expensed as incurred.

Notes to the Financial Statements

d) Investments

Investments are valued at amortized cost.

3. Short-Term Investments

The HQC held six investments at March 31, 2008. All investments are purchased and disposed of through the Saskatchewan Ministry of Finance. Investments are short-term, held for a period of one year or less. The total investments include $545,841 for the Technical Efficiency Program as established by the Ministry of Health (Note 5a). Total investments held at March 31, 2008 were $2,444,742 (2007 - $1,996,032) as described below:

	2008	
	Carrying Value (000's)	Interest Rate
Laurentian Bank Securities	$ 198	3.63%
Laurentian Bank Securities	198	3.63%
RBC Capital Markets	150	3.52%
RBC Capital Markets	299	3.52%
Scotia Capital Markets	350	4.67%
Scotia Capital Markets	1,250	3.42%
Total Investments	$ 2,445	

4. Tangible Capital Assets

The recognition and measurement of tangible capital assets is based on their service potential. These assets will not provide resources to discharge liabilities of the HQC.

	Office Furniture & Equipment (000's)	Computer Hardware & Software (000's)	Leasehold Improvements (000's)	2008 Totals (000's)	2007 Totals (000's)
Opening cost	$ 148	$ 268	$ 51	$ 467	$ 431
Additions during the year	4	25	9	38	36
Disposals during the year	(2)	(7)	-	(9)	-
Closing cost	150	286	60	496	467
Opening accumulated amortization	82	241	51	374	281
Amortization for the year	17	25	1	43	93
Disposals during the year	(2)	(7)	-	(9)	-
Closing accumulated amortization	97	259	52	408	374
Net book value of tangible capital assets	$ 53	$ 27	$ 8	$ 88	$ 93

5. Deferred Revenue

	Begining Balance	Amount Received	Amount Recognized	Ending Balance
Technical Efficiency	$ 866	$ 22	$ 227	$ 661
Accelerating Excellence	-	5,000	-	5,000
Saskatchewan Medical Association	-	200	-	200
Safer Healthcare Now!	-	104	50	54
Totals	$ 866	$5,326	$ 277	$5,915

(a) Technical Efficiency

The Province of Saskatchewan established a $1 million Technical Efficiency Program (TE) in February 2005. The Ministry of Health has entrusted the HQC to manage and coordinate the TE, which is designed to assess and evaluate those areas of the health care system that the Province has determined could benefit from the application of one or more process improvements:

a. health system productivity,
b. timeliness of health care delivery and services,
c. health outcomes, and
d. overall patient, public and provider satisfaction with the health system.

A signed agreement describes the responsibilities of the Ministry of Health and the HQC. The Ministry of Health approves all projects and payments that are to be funded through the TE. The original term of this agreement is March 1, 2005 to March 31, 2007. The agreement has been extended to March 31, 2009.

The HQC reduced the deferred revenue by $227,002 (2007 - $418,193) and recorded the same amount as revenue for the related costs incurred. Interest earned of $21,878 on the balance of the deferred revenue for this program was allocated to the program. Unless otherwise directed by the Province, the HQC will return all unexpended funds to the Province upon expiration of the agreement.

(b) Accelerating Excellence

The Province of Saskatchewan established a $5 million Accelerating Excellence Program (AE) in March 2008. The Ministry of Health has entrusted the HQC to manage and coordinate the AE. A signed agreement describes the responsibilities of the Ministry of Health and the HQC. The Ministry of Health approves all projects and payments that are to be funded through the AE. The term of this agreement is March 31, 2008 to March 31, 2012.

AE is an investment in redesigning health care delivery in a handful of Saskatchewan organizations, by applying approaches and lessons learned elsewhere in the world. The money will be used to:

a. build capacity for improvement (with leadership, middle management, front-line providers and staff, and physicians),
b. provide protected time for people to learn and apply their knowledge and tools, and,
c. build the infrastructure needed to measure the impact of these changes.

Any interest earned on the balance of deferred revenue for this program will accrue to the benefit of the program. Unless otherwise directed by the Province, the HQC will return all unexpended funds to the Province upon expiration of the agreement.

(c) Saskatchewan Medical Association

The Saskatchewan Medical Association (SMA) has provided the HQC with a contribution towards the next Chronic Disease Management Collaborative (CDMC). The SMA has designated the contribution to partially offset the time and expenses incurred by physicians that participate in the next CDMC.

(d) Safer Healthcare Now!

The HQC and Safer Healthcare Now! Western Node (SHN!) entered into an agreement whereby the HQC will be responsible for the administration of payroll and benefits for an employee of SHN! This agreement is in effect from October 1, 2007 to September 30, 2008, at which time the agreement may be renewed.

6. Other Income

Other income recorded by the HQC is comprised of cost recoveries and honorariums.

As well, the HQC received awards from the Canadian Health Services Research Foundation to apply to projects undertaken. The monetary awards received were $36,300 (2007 - $0).

Cost recoveries of $54,491 (2007 - $4,000) from the University of Saskatchewan are included in other income.

7. Related Party Transactions

Included in these financial statements are transactions with various Saskatchewan Crown Corporations, ministries, agencies, boards, and commissions related to the HQC by virtue of common control by the Government of Saskatchewan, and non-crown corporations and enterprises subject to joint control or significant influence by the Government of Saskatchewan (collectively referred to as "related parties"). Other transactions with related parties and amounts due to or from them are described separately in these financial statements and notes thereto.

Routine operating transactions with related parties are recorded at the standard rates charged by those organizations and are settled on normal trade terms.

The HQC pays Provincial Sales Tax to the Saskatchewan Ministry of Finance on all its taxable purchases. Taxes paid are recorded as part of the cost of those purchases.

Notes to the Financial Statements

	2008 (000's)	2007 (000's)
Revenue		
Saskatchewan Cancer Agency	$ -	$ 80
University of Saskatchewan	54	-
Expenses		
Capital Pension Plan	139	128
Saskatchewan Opportunities Corporation - Innovation Place	235	273
Regional Health Authorities	789	1,257
Saskatchewan Associations of Health Organizations	7	25
SaskTel	10	10
Saskatchewan Ministry of Finance	16	17
Saskatchewan Health Information Network	51	302
University of Saskatchewan	35	91
Accounts Payable		
Saskatchewan Opportunities Corporation - Innovation Place	13	-
Regional Health Authorities	102	190
Saskatchewan Association of Health Organizations	-	11
Saskatchewan Ministry of Finance	16	17
Saskatchewan Health Information Network	-	99
Accounts Receivable		
Ministry of Health	-	500
University of Saskatchewan	54	-

8. Financial Instruments

The HQC has the following financial instruments: accrued interest receivable, accounts receivable, investments, accounts payable, and accrued payroll liabilities. The following paragraphs disclose the significant aspects of these financial instruments. The HQC has policies and procedures in place to mitigate the associated risk.

a) Significant terms and conditions

There are no significant terms and conditions associated with the financial instruments, other than investments, that may affect the amount, timing, and certainty of future cash flows. Significant terms and conditions for investments are described separately in these financial statements and notes thereto.

Notes to the Financial Statements

b) Interest rate risk

The HQC is exposed to interest rate risk when the value of its financial instruments fluctuates due to changes in market interest rates. The HQC does not have any long-term investments that may be affected by market pressures.

The HQC's receivables and payables are non-interest bearing.

c) Credit risk

The HQC is exposed to credit risk from potential non-payment of accounts receivable or investment income and principal.

Most of the HQC's receivables are from provincial agencies and the federal government; therefore, the credit risk is minimal.

All investments are purchased through the Saskatchewan Ministry of Finance and the investments held are from major banks; therefore, credit risk for investments and related accrued interest receivable is minimal.

d) Fair Value

For the following financial instruments, the carrying amounts approximate fair value due to their immediate or short-term nature:

Accrued interest receivable
Accounts receivable
Short-term investments
Accounts payable
Accrued payroll liabilities

9. Budget

These amounts represent the operating budget approved by the Board of Directors.

10. Pension Plan

The HQC is a participating employer in the Capital Pension Plan, a defined contribution pension plan. Eligible employees make monthly contributions of 6.35% of gross salary, which are matched by the HQC. The HQC's contributions for this fiscal year were $138,602 (2007 - $128,211).

Notes to the **Financial Statements**

11. Contractual Commitments

As of March 31, 2008, the HQC had the following commitments:

a) Office Rent

The HQC has a lease for office space with Innovation Place. The lease has been extended to July 31, 2012. The lease agreement includes a free rent period from April 1, 2007 to July 31, 2007. The monthly cost will be $20,439, for the period of August 1, 2007 to July 31, 2012.

b) National Research Corporation Canada

The HQC has contracted the National Research Corporation Canada to conduct a survey regarding patient satisfaction throughout all Saskatchewan regional health authorities. The National Research Corporation Canada will be responsible for collecting, processing and reporting survey results to the HQC.

The work schedule establishes that the deliverables be provided by March 31, 2009, with a cost of $159,515.

12. Comparative Financial Information

For comparative purposes, certain balances have been reclassified to conform to 2008 financial statement presentation.

Auditor's Report

To: The Members of the Legislative Assembly of Saskatchewan

I have audited Health Quality Council's control as of March 31, 2008 to express an opinion as to the effectiveness of its control related to the following objectives.

- To safeguard public resources. That is, to ensure its assets are not lost or used inappropriately; to ensure it does not inappropriately incur obligations; to establish a financial plan for the purposes of achieving its financial goals; and to monitor and react to its progress towards the objectives established in its financial plan.
- To prepare reliable financial statements.
- To conduct its activities following laws, regulations and policies related to financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing.

I used the control framework developed by The Canadian Institute of Chartered Accountants (CICA) to make my judgements about the effectiveness of Health Quality Council's control. I did not audit certain aspects of control concerning the effectiveness, economy, and efficiency of certain management decision-making processes.

The CICA defines control as comprising those elements of an organization that, taken together, support people in the achievement of the organization's objectives. Control is effective to the extent that it provides reasonable assurance that the organization will achieve its objectives.

Health Quality Council's management is responsible for effective control related to the objectives described above. My responsibility is to express an opinion on the effectiveness of control based on my audit.

I conducted my audit in accordance with standards for assurance engagements established by The Canadian Institute of Chartered Accountants. Those standards require that I plan and perform an audit to obtain reasonable assurance as to effectiveness of Health Quality Council's control related to the objectives stated above. An audit includes obtaining an understanding of the significant risks related to these objectives, the key control elements and control activities to manage these risks and examining, on a test basis, evidence relating to control.

Control can provide only reasonable and not absolute assurance of achieving objectives reliably for the following reasons. There are inherent limitations in control including judgement in decision-making, human error, collusion to circumvent control activities and management overriding control. Cost/benefit decisions are made when designing control in organizations. Because control can be expected to provide only reasonable assurance and not absolute assurance, the objectives referred to above may not be achieved reliably. Also, projections of any evaluation of control to future periods are subject to the risk that control may become ineffective because of changes in internal and external conditions, or that the degree of compliance with control activities may deteriorate.

In my opinion, based on the limitations noted above, Health Quality Council's control was effective, in all material respects, to meet the objectives stated above as of March 31, 2008 based on the CICA criteria of control framework.

Fred Wendel, CMA, CA
Provincial Auditor

Regina, Saskatchewan
May 12, 2008

Auditor's Report

To: The Members of the Legislative Assembly of Saskatchewan

I have made an examination to determine whether the Health Quality Council complied with the provisions of the following legislative and related authorities pertaining to its financial reporting, safeguarding public resources, spending, revenue raising, borrowing and investing activities during the year ended March 31, 2008:

The Health Quality Council Act
The Tabling of Documents Act, 1991
Orders in Council issued pursuant to the above Acts

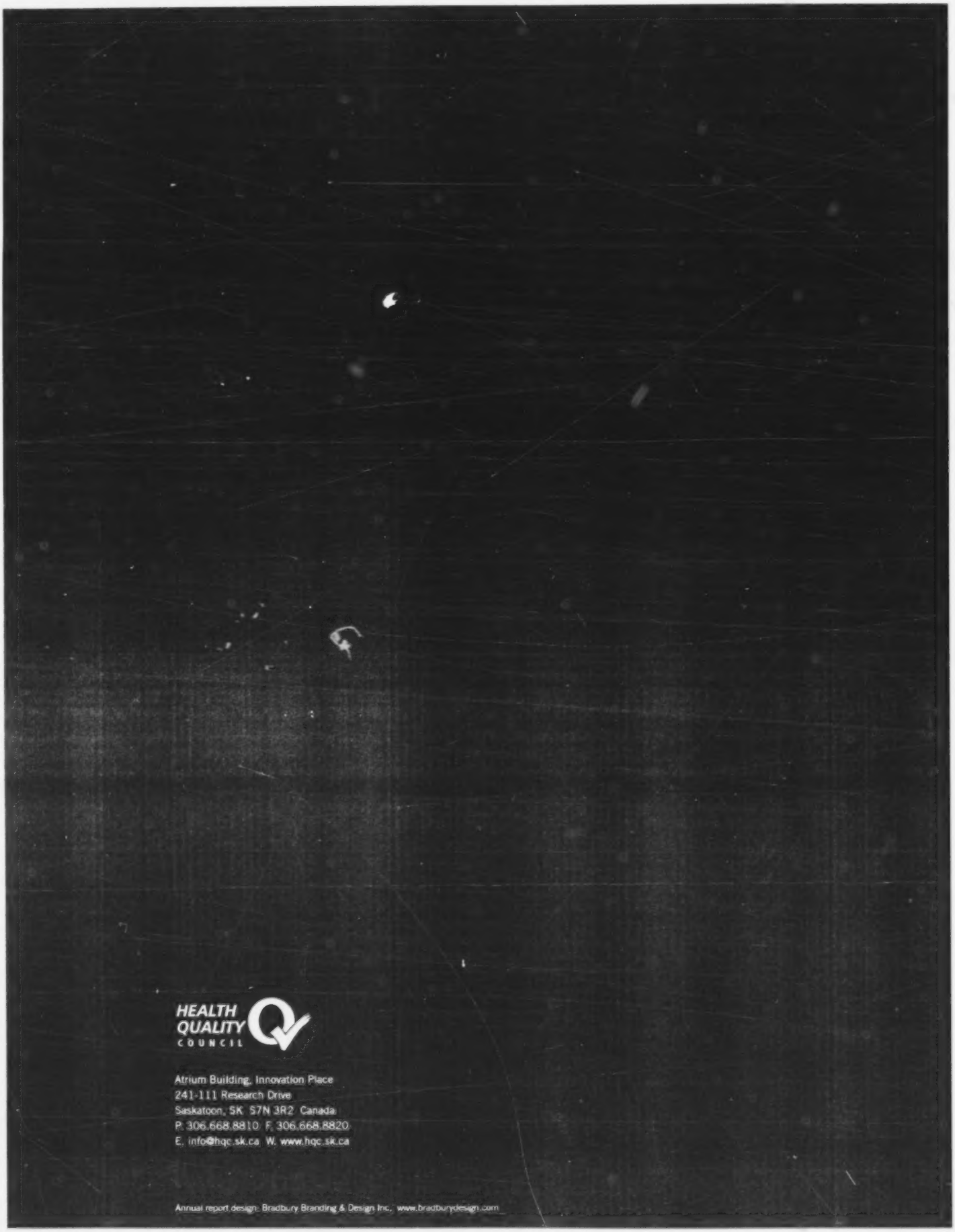
My examination was made in accordance with Canadian generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, the Health Quality Council has complied, in all significant respects, with the provisions of the aforementioned legislative and related authorities during the year ended March 31, 2008.



Regina, Saskatchewan
May 12, 2008

Fred Wendel, CMA, CA
Provincial Auditor



HEALTH QUALITY COUNCIL

Atrium Building, Innovation Place
241-111 Research Drive
Saskatoon, SK S7N 3R2 Canada
P. 306.668.8810 F. 306.668.8820
E. info@hqc.sk.ca W. www.hqc.sk.ca

Annual report design: Bradbury Branding & Design Inc., www.bradburydesign.com